

CCM Testimony



545 Long Wharf Drive., 8th Floor, New Haven, CT 06511 • 203-498-3000

Housing Committee

February 28, 2023

The Connecticut Conference of Municipalities (CCM) is Connecticut's statewide association of towns and cities and the voice of local government - your partners in governing Connecticut. Our members represent 99% of Connecticut's population. We appreciate the opportunity to testify on bills of interest to towns and cities.

SB 4 "An Act Concerning Connecticut's Present and Future Housing Needs"

SB 4 would among other things, make various changes regarding Connecticut's housing needs, including provisions that would promote workforce housing.

CCM appreciates the opportunity to comment on Section 13 regarding workforce housing. Municipal leaders recognize the growing need for workforce housing opportunities and the necessity to increase the supply of affordable housing options in which individuals work in a community, but cannot afford to live in the community in which they work. CCM continues to work with business associations to address this issue - Section 13 of SB 4 is a good starting point to further this goal.

SB 4 would establish a workforce housing opportunity development program that would be administered through the Department of Housing under which individuals or entities who make financial contributions to a workforce housing opportunity development project in an opportunity zone would be able to take advantage of tax credits under chapter 208 or 209. The bill would preserve local control through zoning approvals and enables a municipality to designate an eligible workforce population target of its choosing through vote of its legislative body. The bill also provides the option for municipalities to enable property tax exemptions to workforce housing development projects with state reimbursement. As the legislation continues to develop, CCM would recommend the following changes to proposed structure:

- Add a onetime grant program for brownfield sites that qualify as a workforce housing project mirrored after the Targeted Brownfield Development Loan Program to incentivize developers to remediate brownfield sites before the development.
- Add a second tier for workforce housing that would consist of 40% market rate, 40% workforce, 20% low income and increase tax credit caps for those entities that elect to develop based on that second tier.



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- Work with accessors to ensure that there is no restriction on the ability to properly access these developments.
- Explore workforce housing options for municipalities that are not in federally designated opportunity zones.
- Increase the amount of time from 30 days to at least 60 days a municipality has to designate a workforce population.
- Create a mechanism for developers to submit a waiver extension to the Housing Department if a project is not completed within three years after date of approval.

With the announcement of Governor Lamont's proposed workforce housing investments, CCM is excited and looks forward to working with the Housing Committee, business community, and all other stakeholders to ensure the proposed legislation increases workforce housing opportunities.



If you have any questions, please contact <u>Zachary McKeown</u>, Senior Legislative Associate of CCM.